

**Village of Salado
Salado Municipal Building
301 N. Stagecoach
Salado, Texas
Minutes of Special Meeting of Board of Aldermen
November 30, 2017**

The Board of Aldermen meeting was called to order at 3:07 p.m. by Mayor Skip Blancett.

Board Members Present: Mayor Skip Blancett, Mayor Pro-tem Fred Brown, Aldermen Andy Jackson, Amber Dankert (arrived at 3:09 p.m.), Frank Coachman, and Michael McDougal.

Staff Present: Village Administrator Don Ferguson and City Secretary Cara McPartland

Discussion and Action

- A. Discuss and consider possible action awarding a contract to McLean Construction Inc. of Killeen, Texas, for construction of the collection system for the Salado Wastewater System. *(Village Administrator)*

Village Administrator Ferguson reported that four contractors submitted bids ranging from \$3,300,000 to \$6,200,000. After a careful review of bid tabulations and qualifications of firms submitting bids, he recommended awarding a contract to the low bidder, McLean Construction, Inc. of Killeen for approximately \$3,300,000, which includes the base bid and add alternates. He noted available cash for the project, including reimbursable EDA grant funds and remaining bond issues, and reviewed expenses to date for design and environmental issues. He stated additional costs relating to a five percent construction contingency, needed power upgrades, construction management, environmental monitoring, completion of CCN designation process, certain engineering costs, and a rate impact fee study. He suggested a future workshop regarding connections to the system and assessment of impact fees.

Discussion established that the award includes the base bid and bid alternates. Village Administrator Ferguson and Rick Kasberg of KPA Engineers both spoke highly of McLean Construction's experience and qualifications in completing wastewater projects in a timely and efficient manner.

Alderman McDougal moved to approve staff's recommendation to award a contract to McLean Construction Inc. of Killeen, Texas for construction of the collection system for the Salado Wastewater System. Alderman Coachman seconded. Motion carried on a vote of 5-0.

- B. Discuss and consider possible action awarding a contract to Matous Construction, Ltd. of Belton, Texas, for construction of the wastewater treatment plant for the Salado Wastewater System. *(Village Administrator)*

Village Administrator Ferguson reported that seven contractors submitted bids ranging from approximately \$5,070,000 to \$6,600,000 for construction of a treatment plant *(with the*

office/maintenance facility) and from approximately \$4,800,000 to \$6,500,000 (*without* the office/maintenance facility) to Matous Construction, Ltd. of Belton, which was the second low bidder on the project. He advised that the second low bidder was recommended because the low bidder, Emerson Construction, did not have adequate experience with construction of wastewater treatment plants. He recommended approval of the contract award to Matous Construction, *without* the office/maintenance facility.

Discussion addressed performance limits; inquiry regarding a previously explored decentralized approach to wastewater service as a less expensive option; KPA's assessment of decentralized systems as appropriate for small, remote developments that are very high maintenance; lack of surface area needed for a decentralized system; citation of an Ohio case study and examples of additional required costs that make a decentralized system not economically viable; significant re-design/re-permitting costs and construction delays associated with changing to a decentralized system; inability of a decentralized system to meet higher effluent standards; start-up process for seeding treatment plant; whether treatment plant is appropriately sized; managing flow and capacity with or without Sanctuary development; and review of water usage data.

Alderman Jackson moved to approve awarding the contract to Matous Construction, Ltd. of Belton, Texas, for construction of the wastewater treatment plant for the Village of Salado, in the amount of the Base Bid minus the Deductive Alternate in the amount of \$4,883,000 (*without* the office/maintenance facility). Alderman McDougal seconded. Motion carried on a vote of 5-0.

- C. Discuss and consider possible action approving a proposed professional services agreement with Vanir Construction Management, Inc. for the provision of construction management services for the Salado Wastewater Project. (*Village Administrator*)

Village Administrator Ferguson reviewed the scope of work under the proposed agreement and anticipated the estimated cost will be approximately \$339,000. He spoke highly of the individual who has been selected as project manager and will provide on-site services and support throughout the project. He said the project manager will likely be housed at the municipal building initially, while alternative office spaces are being explored. He recommended approval of the agreement, as presented.

Discussion addressed number of on-site management personnel, Vanir's professional qualifications and reputation, establishment of an oversight committee and project website, time-based contract provisions, estimated agreement cost of \$339,000, and monthly billing arrangement with Vanir.

Mayor Pro-tem Brown moved to approve the professional services agreement with Vanir Construction Management, Inc. for the provision of construction management services for the Salado Wastewater Project, not to exceed \$339,000, unless approved by the Board. Alderman Jackson seconded. Motion carried on a vote of 5-0.

Village Administrator Ferguson anticipated bringing the environmental monitoring contract to the Board next week and expected construction to begin around the beginning of the year.

Adjournment

Hearing no further business, Mayor Blancett called the meeting adjourned at 3:43 p.m.

Recorded by:

Cara McPartland

These minutes approved on the 7th of December, 2017.

APPROVED:


Skip Blancett, Mayor

ATTEST:


Cara McPartland, City Secretary

